Mr. F. William Mahley Strasburger & Price, LLP 901 Main Street, Suite 4300 Dallas, TX 75202-3794

Dear Mr. Mahley:

Thank you for your July 1, 2005, letter outlining discussion between the U.S. Environmental Protection Agency (EPA) and the potentially responsible parties (PRPs) discussions to date regarding cleaning up the Gulfco Marine Maintenance Superfund Site (Gulfco Site).

I share your disappointment that EPA and the potentially responsible parties were unable to reach a timely agreement concerning investigation of the Gulfco Site. We share the mutual goal of quickly cleaning up the Gulfco Site in order to delete the site from the National Priorities List. Toward that end, EPA has been working with you to explore cleaning up the Gulfco Site under appropriate State law.

When the PRPs presented its proposal for investigation and cleanup of the Gulfco Site on March 7, 2005, I thought it could be an excellent approach if the proposal took into account EPA's oversight role, public participation, assurance that all appropriate response actions are completed, and be a cleanup that is consistent with other National Priorities List actions.

In order to meet our mutual goal of quick cleanup of the Gulfco Site and based upon the level of disagreement after many months of discussion regarding cleanup under appropriate State authority, EPA is pursuing an investigation of the Gulfco Site under a Unilateral Administrative Order. I appreciate the PRPs' willingness to comply with the UAO so that an investigation can be started and the site be cleaned up as quickly as possible and the property returned to productive use.

If the PRPs' want to pursue the remaining cleanup of the Gulfco Site under appropriate State law, I encourage the group to submit written detail of the requirements I outlined in the March 7, 2005, meeting in order for EPA to assure that its responsibilities have been met and to

allow delisting of the Gulfco Site from the NPL.

If I may be of further assistance, please give me a call at (214) 665-2100.

Sincerely yours,

Richard E. Greene Regional Administrator

cc: The Honorable Rick Perry Governor of Texas

> Mr. Zak Covar, Natural Resource Advisor Office of the Governor

Ms. Kathleen Harnett White, Chairman Texas Commission on Environmental Quality

Mr. Daniel Eden, Deputy Director Office of Permitting, Remediation, and Regstration Texas Commission on Environmental Quality

Ms. Jackee Hardee, P.E., Director Remediation Division Texas Commission on Environmental Quality

Ms. Caroline Sweeney, Senior Attorney Remediation and Financial Litigation Division Office of Legal Services Texas Commission on Environmental Quality